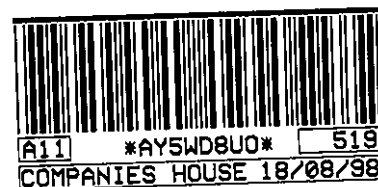


THE VILLAGE BAKERY (COEDPOETH) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

31ST OCTOBER 1997

Registered number: 1555991



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COMPANIES HOUSE 08/08/98

MITCHELL CHARLESWORTH

CHARTERED ACCOUNTANTS

Chester

THE VILLAGE BAKERY (COEDPOETH) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

for the year ended 31st October 1997

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THE VILLAGE BAKERY (COEDPOETH) LIMITED**COMPANY INFORMATION****31st October 1997**

INCORPORATED	England and Wales
NUMBER	1555991
DIRECTORS	A.E. Jones H. Jones A.J. Pennington
SECRETARY	A. Jones
REGISTERED OFFICE	Ruthin Road Minera Wrexham LL11 3RD
BANKERS	Midland Bank Plc. 14 High Street Wrexham LL13 8HT
AUDITORS	Mitchell Charlesworth Chartered Accountants 24 Nicholas Street Chester CH1 2AU

THE VILLAGE BAKERY (COEDPOETH) LIMITED

DIRECTORS' REPORT

31st October 1997

The directors present their report and the abbreviated financial statements for the year ended 31st October 1997.

Principal activity

The principal activity of the company is the baking, wholesaling and retailing of bread, morning goods, savouries and related products.

Business review

The company's balance sheet as detailed on page 6 shows a satisfactory position, shareholders' funds amounting to £1,578,426.

Results and dividends

The results for the year are shown in the profit and loss account on page 5. A preference dividend amounting to £1,284 was paid during the year. In May 1997 the directors proposed payment of an interim ordinary dividend of £320,000, which has not yet been paid.

Fixed assets

In the opinion of the directors there is no significant difference between the present market value of the company's properties and the amounts at which they are stated in the accounts. Details are set out in note 8.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

	31st October 1997		1st November 1996	
	Redeemable Preference shares	Ordinary shares	Redeemable Preference shares	Ordinary shares
A.E. Jones	12,837	100	12,837	100
H. Jones	-	-	-	-
A.J. Pennington	-	-	-	-

Auditors

Mitchell Charlesworth have agreed to offer themselves for re-appointment as auditors of the company.

On behalf of the board


A. Jones
Secretary

Wrexham

28th July 1998

THE VILLAGE BAKERY (COEDPOETH) LIMITED**AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS****Auditors' report to The Village Bakery (Coedpoeth) Limited
under section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 4 to 13, together with the financial statements of the company for the year ended 31st October 1997 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages 4 to 13 are properly prepared in accordance with those provisions.



Mitchell Charlesworth
Registered Auditors
Chartered Accountants

Chester
28th July 1998

THE VILLAGE BAKERY (COEDPOETH) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

for the year ended 31st October 1997

	Note	1997 £	1996 £
Gross profit		1,239,146	1,264,030
Net operating expenses			
Distribution costs		(112,725)	(107,003)
Administrative expenses		(601,031)	(582,086)
Operating profit	3	<u>525,390</u>	<u>574,941</u>
Investment income	5	<u>30,531</u>	<u>21,535</u>
Profit on ordinary activities before taxation		555,921	596,476
Taxation	6	<u>(162,438)</u>	<u>(187,699)</u>
Profit on ordinary activities after taxation		393,483	408,777
Dividends (including non-equity interests)	7	<u>(1,284)</u>	<u>(271,284)</u>
Retained profit for the year	17	<u>£ 392,199</u>	<u>£ 137,493</u>

Movements in reserves are shown in the notes to the financial statements.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1997 or 1996 other than the profit for the year.

THE VILLAGE BAKERY (COEDPOETH) LIMITED

ABBREVIATED BALANCE SHEET

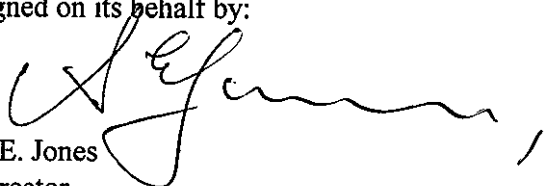
at 31st October 1997

	Note	1997		1996	
		£	£	£	£
Fixed assets					
Tangible assets	8	772,687		804,710	
Investments	10	100		100	
		<u>772,787</u>		<u>804,810</u>	
Current assets					
Stocks	11	65,358		55,814	
Debtors	12	279,646		266,796	
Cash at bank and in hand		920,612		474,129	
		<u>1,265,616</u>		<u>796,739</u>	
Creditors: amounts falling due within one year	13	(459,977)		(415,322)	
Net current assets		805,639		381,417	
Total assets less current liabilities		<u>£ 1,578,426</u>		<u>£ 1,186,227</u>	
Capital and reserves					
Called up share capital	15	13,137		13,137	
Other reserves	16	55,818		55,818	
Profit and loss account	17	1,509,471		1,117,272	
Total shareholders' funds	14	<u>£ 1,578,426</u>		<u>£ 1,186,227</u>	

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The abbreviated financial statements on pages 4 to 13 were approved by the board of directors on 28th July 1998 and signed on its behalf by:

A.E. Jones
Director



THE VILLAGE BAKERY (COEDPOETH) LIMITED

ABBREVIATED CASH FLOW STATEMENT

for the year ended 31st October 1997

	Note	1997		1996	
		£	£	£	£
Net cash inflow from operating activities	18	709,697		781,977	
Returns on investments and servicing of finance					
Interest received		30,531		21,535	
Non-equity dividends paid		(1,284)		(1,284)	
		<hr/> 29,247		<hr/> 20,251	
Taxation					
Corporation tax paid		(119,759)		(188,199)	
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(212,260)		(185,167)	
Sale of tangible fixed assets		39,558		13,394	
		<hr/> (172,702)		<hr/> (171,773)	
		446,483		442,256	
Equity dividends paid		-		(270,000)	
Increase in cash		<hr/> <hr/> £ 446,483		<hr/> <hr/> £ 172,256	

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THE VILLAGE BAKERY (COEDPOETH) LIMITED
NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st October 1997

1 Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Leasehold land and buildings	straight line basis over term of lease
Plant and machinery	straight line basis over 10 years
Motor vehicles	straight line basis over 5 years
Office equipment	straight line basis over 4 years

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis, and includes an appropriate proportion of overhead expenses. Net realisable value is based on estimated selling price less the estimated costs expected to be incurred to completion and disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Pensions

Defined contribution scheme

The company operates a pension scheme for the benefit of directors. Under the terms of the scheme contributions are administered by trustees in funds managed by an insurance company. These funds are independent of the company's own assets.

The company scheme for the benefit of staff was discontinued in April 1996. After that date contributions have been made to a group personal pension plan managed by an independent insurance company.

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the schemes.

2 Turnover

The turnover for the year was derived from the company's principal activity. The whole of the turnover is attributable to the UK market.

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st October 1997

3 Operating profit

	1997	1996
	£	£
Operating profit is stated after crediting		
Profit on sale of assets	£ 10,808	£ 6,254
and after charging		
Staff costs (note 4)	£ 1,110,597	£ 1,105,839
Hire of plant and machinery	£ 1,039	£ 1,039
Hire of other assets - operating leases	£ 106,024	£ 105,341
Auditor's remuneration	£ 8,000	£ 8,000
Depreciation of tangible fixed assets (note 8)		
owned assets	£ 215,533	£ 204,203

4 Directors and employees

	1997	1996
	£	£
Staff costs including directors' emoluments		
Wages and salaries	1,007,189	1,003,336
Social security costs	78,042	76,454
Pension costs	25,366	26,049
	£ 1,110,597	£ 1,105,839
Average monthly number employed including executive directors:	Number	Number
Production staff	68	68
Administration staff	10	10
Sales	44	44
	122	122
Directors	£	£
Emoluments	64,538	63,783
Company contributions to money purchase pension schemes	10,000	10,000
	£ 74,538	£ 73,783

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st October 1997

5 Interest receivable

	1997	1996
	£	£
Bank deposit interest	<u>£ 30,531</u>	<u>£ 21,535</u>

6 Taxation

	1997	1996
	£	£
Corporation tax on profit on ordinary activities at 29.98% (1996 30.03%) due on 1st August 1998	165,321	189,821
Over provision in earlier years	(2,883)	(2,122)
	<u>£ 162,438</u>	<u>£ 187,699</u>

Deferred taxation

No provision has been made for deferred taxation on the timing differences arising between depreciation and capital allowances. The maximum potential liability to deferred amounts to £ 62,500 (1996 - £ 71,000).

7 Dividends

	1997	1996
	£	£
Dividends on equity shares	-	270,000
Other dividends on non-equity shares	1,284	1,284
Total dividends paid	<u>£ 1,284</u>	<u>£ 271,284</u>

The above is made up as follows:

Ordinary interim (1996 - £ 900 per share)	-	270,000
Ordinary final	-	-
Redeemable preference shares to 31st October 1997	1,284	1,284
	<u>£ 1,284</u>	<u>£ 271,284</u>

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st October 1997

8 Tangible fixed assets

Cost	Motor Vehicles £	Plant and Machinery £	Office Equipment £	Land and Buildings £	Total £
1st November 1996	483,643	1,406,110	68,383	31,450	1,989,586
Additions	121,749	80,294	6,620	3,597	212,260
Disposals	(60,864)	(20,665)	-	-	(81,529)
31st October 1997	<u>544,528</u>	<u>1,465,739</u>	<u>75,003</u>	<u>35,047</u>	<u>2,120,317</u>
Depreciation					
1st November 1996	329,783	787,969	49,830	17,294	1,184,876
Charge for year	73,560	126,671	10,295	5,007	215,533
Disposals	(34,929)	(17,850)	-	-	(52,779)
31st October 1997	<u>368,414</u>	<u>896,790</u>	<u>60,125</u>	<u>22,301</u>	<u>1,347,630</u>
Net book amount					
31st October 1997	<u>£ 176,114</u>	<u>£ 568,949</u>	<u>£ 14,878</u>	<u>£ 12,746</u>	<u>£ 772,687</u>
1st November 1996	<u>£ 153,860</u>	<u>£ 618,141</u>	<u>£ 18,553</u>	<u>£ 14,156</u>	<u>£ 804,710</u>

9 Land and buildings

	1997 £	1996 £
Short leasehold	<u>£ 12,746</u>	<u>£ 14,156</u>

10 Fixed asset investment

The company owns the entire share capital of Village Puddin's 'n Pies Limited a company incorporated in England and Wales, registered number 2048981. The company was dormant throughout the year.

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st October 1997

11 Stocks

	1997 £	1996 £
Raw materials and consumables	62,666	52,815
Finished goods and goods for resale	2,692	2,999
	<u>£ 65,358</u>	<u>£ 55,814</u>

12 Debtors

	1997 £	1996 £
Amounts falling due within one year		
Trade debtors	261,617	241,522
Other debtors	11,243	18,045
Prepayments and accrued income	6,786	7,229
	<u>£ 279,646</u>	<u>£ 266,796</u>

13 Creditors: amounts falling due within one year

	1997 £	1996 £
Trade creditors	92,375	99,673
Amounts owed to group undertakings	79,761	79,761
Corporation tax	165,000	122,000
Other taxation and social security	29,563	28,553
Accruals and deferred income	93,278	85,335
	<u>£ 459,977</u>	<u>£ 415,322</u>

14 Reconciliation of movements in shareholders' funds

	1997 £	1996 £
Profit for the financial year	393,483	408,777
Dividends	(1,284)	(271,284)
Net addition to shareholders' funds	<u>392,199</u>	<u>137,493</u>
Opening shareholders' funds	1,186,227	1,048,734
Closing shareholders' funds	<u>£ 1,578,426</u>	<u>£ 1,186,227</u>

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st October 1997

15 Called up share capital

	1997		1996	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	300	300	300	300
10% redeemable preference shares of £1 each	149,700	149,700	149,700	149,700
	<u>149,700</u>	<u>149,700</u>	<u>149,700</u>	<u>149,700</u>
		<u>£ 150,000</u>		<u>£ 150,000</u>
Allotted called up and fully paid				
Ordinary shares of £1 each	300	300	300	300
10% redeemable preference shares of £1 each	12,837	12,837	12,837	12,837
	<u>12,837</u>	<u>12,837</u>	<u>12,837</u>	<u>12,837</u>
		<u>£ 13,137</u>		<u>£ 13,137</u>

16 Other reserves

	1997
	£
Capital reserve	£ 55,818
	<u>£ 55,818</u>

17 Profit and loss account

	1997
	£
1st November 1996	1,117,272
Retained profit for the year	392,199
	<u>392,199</u>
31st October 1997	<u>£ 1,509,471</u>

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st October 1997

18 Notes to the cash flow statement

Reconciliation of operating profit
to operating cash flows

	1997 £	1996 £
Operating profit	525,390	574,941
Depreciation charges	215,533	204,203
Profit on sale of fixed assets	(10,808)	(6,254)
Increase in stocks	(9,544)	(5,812)
(Increase)/decrease in debtors	(12,850)	24,852
Increase/(decrease) in creditors	1,976	(9,953)
Net cash inflow from operating activities	£ 709,697	£ 781,977

Analysis of changes in net funds

	At start of year £	Cash flows £	At end of year £
Cash in hand, at bank	474,129	446,483	920,612
Total	£ 474,129	£ 446,483	£ 920,612

19 Other financial commitments

At 31st October 1997 the company was committed to making the following payments under non - cancellable operating leases.

	Land and Buildings	
	1997 £	1996 £
Operating leases which expire		
Within one year	73,000	-
Within two to five years	-	146,100
After five years	400,900	433,850
	£ 473,900	£ 579,950

20 Holding company

The ultimate holding company is Endeavour Investments Limited, a company incorporated in the Isle of Man.